Memorandum

To: Giuseppe D'Alessandro

From: Jeffrey Slagle

Re: Directional Counts for Slims Club #3

Date: March 24, 1995

The enclosed Tables 1a-2b contain directional counts for the live cells and test cells of the upcoming Slims Club #3 mailing. These counts are based on the following assumptions:

[1] both coupon responsiveness scores and continuity responsiveness scores will be calculated according to modeling results and applied to each of the defensive smokers (current brand = Virginia Slims) and offensive smokers (current brand ≠ Virginia Slims) pulled for the mailing;

[2] defensive and offensive smokers will be handled separately but identically. First, both audiences will be sorted from highest to lowest according to their coupon responsiveness scores. The top 50 percent (quartiles 1, 2) will be designated "high responsive" and the bottom 50 percent (quartiles 3,4) "low responsive."

[3] both audiences will then be sorted from highest to lowest according to their continuity responsiveness scores. The top 25 percent (quartile 1) will be designated "high responsive" and the bottom 75 percent (quartiles 2, 3, 4) "low responsive."

The cutoffs at which smokers are labeled high versus low responsive are purely subjective and should be established with the overall objectives of the mailing in mind. Changing the cutoff values is likely to affect the numbers of the various coupon and bonus UPC denominations that need to be produced for the mailing.

[4] defensive and offensive smokers will be assigned to one of four categories depending on their expected responsiveness -- high coupon, high continuity; high coupon, low continuity; low coupon, high continuity; and low coupon, low continuity -- and "versioned" accordingly.

[5] in addition, a total of 45,000 smokers will be mailed in each of six "test" or validation cells -- three each for the defensive and offensive segments of the mailing. Each of the test cells is currently designed to offer a sample of smokers who are highly responsive to coupons, continuity, or both a slightly richer offer than the one being sent to their live cell counterparts. These cells will be used to validate the effectiveness of the models.

cc: B. Bittner
M. Yates

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Source: https://www.industrydocuments.ucsf.edu/docs/zzlm0004

Table 1a Virginia Slims Smokers Live Cells N = 877,500			
Coupon Responsiveness	Continuity Responsiveness	Offer	N
High = q(1,2)	High = q(1)	1 @ $1.00 ctn/4 packs ✓ 1 @ $2.00 ctn 1 @ 5 Bonus UPC	109,688
High = q(1,2)	Low = q(2,3,4)	1 @ $1.00 ctn/4 packs ✓ 1 @ $2.00 ctn 1 @ 10 Bonus UPC	329,063
Low = q(3,4)	High = q(1)	2 @ $1.50 ctn/4 packs ✓ 1 @ $3.00 ctn 1 @ 5 Bonus UPC	109,687
Low = q(3,4)	Low = q(3,4)	2 @ $1.50 ctn/4 packs 1 @ $3.00 ctn 1 @ 10 Bonus UPC	329,062

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2

Low * coupon
low continuity

Table 1b Virginia Slims Smokers Test Cells N = 22,500			
Coupon Responsiveness	Continuity Responsiveness	Offer	N
High = q(1,2)	High = q(1)	2 @ $1.50 ctn/4 packs 1 @ $3.00 ctn 1 @ 10 Bonus UPC	7,500
High = q(1,2)	Low = q(2,3,4)	2 @ $1.50 ctn/4 packs 1 @ $3.00 ctn 1 @ 10 Bonus UPC	7,500
Low = q(3,4)	High = q(1)	2 @ $1.50 ctn/4 packs 1 @ $3.00 ctn 1 @ 10 Bonus UPC	7,500

* misty

* Last chance..

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7 unique - w/UPC's

Table 2a Competitive Brand Smokers Live Cells N = 477,500			
Coupon Responsiveness	Continuity Responsiveness	Offer	N
High = q(1,2)	High = q(1)	2 @ $1.50 ctn/4 packs 1 @ $3.00 ctn 1 @ 5 Bonus UPC	59,688
High = q(1,2)	Low = q(2,3,4)	2 @ $1.50 ctn/4 packs 1 @ $3.00 ctn 1 @ 10 Bonus UPC	179,063
Low = q(3,4)	High = q(1)	2 @ $2.00 ctn/4 packs 1 @ $4.00 ctn 1 @ 5 Bonus UPC	59,687
Low = q(3,4)	Low = q(3,4)	2 @ $2.00 ctn/4 packs 1 @ $4.00 ctn 1 @ 10 Bonus UPC	179,062

Table 2b Competitive Brand Smokers Test Cells N = 22,500			
Coupon Responsiveness	Continuity Responsiveness	Offer	N
High = q(1,2)	High = q(1)	2 @ $2.00 ctn/4 packs 1 @ $4.00 ctn 1 @ 10 Bonus UPC	7,500
High = q(1,2)	Low = q(2,3,4)	2 @ $2.00 ctn/4 packs 1 @ $4.00 ctn 1 @ 10 Bonus UPC	7,500
Low = q(3,4)	High = q(1)	2 @ $2.00 ctn/4 packs 1 @ $4.00 ctn 1 @ 10 Bonus UPC	7,500

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* Misty
* Last chance
*

Misty. low

Basper Slims / Capri - longer to 5UPC.

4 Unique sets.

Last Chance - 38,000 VS low Coupon.

Source: https://www.industrydocuments.ucsf.edu/docs/zzlm0004